

Doc. # 5628
ADOPTED
3/24/94

**RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: FINAL DESIGNATION OF BIOLEASE, INC.
AS REDEVELOPER OF BUILDING 75 LOCATED IN THE
CHARLESTOWN NAVY YARD, CHARLESTOWN URBAN
RENEWAL AREA, MASS. PROJECT NO. R-55.**

WHEREAS, the Boston Redevelopment Authority, (hereinafter referred to as the "Authority"), has entered into a contract for loan and capital grant with the Federal Government under Title I of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified Project; and

WHEREAS, the Urban Renewal Plan for the Charlestown Urban Renewal Area, Project No. Mass. R-55, (hereinafter referred to as the "Project Area"), has been duly reviewed and approved in full compliance with local, State and Federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and carrying out of Urban Renewal projects with Federal financial assistance under said Title I, including those prohibiting discrimination because of race, color, sex, religion or national origin; and

WHEREAS, BIOLEASE, INC. has expressed an interest in and has submitted a satisfactory proposal for the development of Building 75 in the Charlestown Navy Yard; and

WHEREAS, the Authority is cognizant of Chapter 30, Sections 61 through 62H of the Massachusetts General Laws, as amended, with respect to minimizing and preventing damage to the environment.

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY;

1. That BIOLEASE, INC. be and hereby is finally designated as Redeveloper of Building 75 as identified on the attached Map, marked Exhibit "A", located in the Charlestown Navy Yard.
2. That it is hereby determined that BIOLEASE, INC. possesses the qualifications and financial resources necessary to acquire and develop the land in accordance with the Urban Renewal Plan for the Project Area.
3. That disposal of said Parcel by negotiation is the appropriate method of making the land available for redevelopment.
4. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practical feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.

5. That the Director is hereby authorized for and in behalf of the Authority to execute and deliver a Ground Lease leasing Building 75 to BIOLEASE, INC., or an affiliate acceptable to the Director, and to execute additional documents as the Director deems appropriate and in the best interest of the Authority to effectuate such leasehold, said documents to be in the Authority's usual form including such changes as the Director deems appropriate and in the best interest of the Authority.
6. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105(E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-6004).

SUBJECT:

BUILDING 75, CHARLESTOWN NAVY YARD

EXECUTIVE

SUMMARY:

This memorandum reports that the project of Biolease, Inc. as redeveloper of Building 75 in the Charlestown Navy Yard and authorization for the Director to enter into a Ground Lease between the Authority and Biolease and execute other documents necessary to secure identification of the property with technology research, development and office space.

Building 75 is located in the "Historic Monument" Area of the Charlestown Navy Yard between the Street, John Street East Avenue and 3rd Avenue. On December 2, 1972, the Authority tentatively designated Biolease, Inc. and BIOLE, Inc. as joint venture partners on the subject project of this property for technology research, development and office space. Since that time BIOLE has withdrawn from the partnership and Biolease, Inc. has succeeded to Biolease, Inc. Both Biolease and Biolease are controlled by Neil St. John (Neil) Raymond.

Biolease has completed building commitments entered into a lease with a tenant and completed significant design work under a license agreement. That Biolease is a registered firm.

Biolease has an association of financing with Health Care Ventures (HCV) a registered venture capital firm for start-up technology firms. One of the firms owned by HCV - Bioleap, Inc. - has entered into a lease with Biolease to occupy Building 75.

Biolease has also received a commitment for debt financing for the project from the State of New York and is engaged in discussions with the City of New York for a loan guarantee which would be made on a basis of a loan guarantee for a portion of the debt financing. It is requested and recommended, in further negotiations as soon as possible, to the City for loan guarantee to be committed to the Authority of Authority staff and Director that are acceptable to the City.

Biolease projects are well known and respected for their ability to carry out complex projects. Mr. Neil Raymond - Chairman of Biolease - has previously completed the 102 Carver

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ADOPTED

MARCH 24, 1994

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY BOARD AND
MARISA LAGO, DIRECTOR

FROM: BRIAN DE LOREY, ASSISTANT DIRECTOR FOR
ECONOMIC DEVELOPMENT
VICTOR KAREN, DEPUTY DIRECTOR FOR
ECONOMIC DEVELOPMENT
JOHN O'BRIEN, PROJECT MANAGER

SUBJECT: BUILDING 75, CHARLESTOWN NAVY YARD

**EXECUTIVE
SUMMARY:**

This memorandum requests final designation of BioLease, Inc. as redeveloper of Building 75 in the Charlestown Navy Yard and authorization for the Director to enter into a Ground Lease between the Authority and BioLease and execute other documents necessary to secure rehabilitation of the property into biotechnology research, development and office space.

Building 75 is located in the Historic Monument Area of the Charlestown Navy Yard, between 13th Street, 16th Street, 2nd Avenue and 3rd Avenue. On December 8, 1992, the Authority tentatively designated Bioproperties, Inc. and NAGE, Inc. as joint venture partners for the redevelopment of this property for biotechnology research, development, and office space. Since that time NAGE has withdrawn from the partnership and BioLease, Inc. has succeeded to Bioproperties' interest. Both BioLease and Bioproperties are controlled by Neil St. John (Ted) Raymond.

BioLease has now secured financing commitments, entered into a lease with a tenant and commenced significant start-up work under a license agreement. Final designation is therefore timely.

BioLease has an established relationship with Health Care Ventures (HCV), a significant venture capital source for start-up biotechnology firms. One of the firms backed by HCV -- Biotransplant, Inc. -- has entered into a lease with BioLease to occupy Building 75.

BioLease has also secured a commitment for debt financing for the project from the Bank of Boston (BKB) and is engaged in discussions with the City's Public Facilities Department (PFD) regarding terms of a Section 108 loan guarantee for a portion of the debt financing. PFD is supportive and stands ready to finalize negotiations as soon as practicable. Equity for the project has been committed to the satisfaction of Authority staff and on terms that are agreeable to BKB.

BioLease principals are well known and respected for their ability to carry out complex projects. Mr. Ted Raymond -- Chairman of BioLease -- has successfully completed the Ritz Carlton

addition, the Massachusetts General Hospital Biomedical Research Center at the Charlestown Navy Yard and many other widely recognized projects.

Biotransplant is breaking new ground in the fields of organ transplantation and rejection. Its cutting edge research could revolutionize current medical protocols. HCV's investment in Biotransplant validates this potential. With nearly \$400 million invested in the biotechnology industry, HCV is one of the largest health care venture capital firms in the country.

Redevelopment of Building 75 will provide significant public benefits. Fifty new permanent jobs will be created in an emerging growth economy. In addition, ninety construction jobs and approximately \$135,000 per year of additional property taxes will be realized from this project.

The project has been reviewed by the Charlestown Neighborhood Council and has received its endorsement. The proponents will comply with the City's construction and permanent job goals for City of Boston residents.

It is therefore recommended that the Boston Redevelopment Authority finally designate BioLease, Inc. as redeveloper of Building 75 in the Charlestown Navy Yard and authorize the Director to execute a ground lease and other documents necessary to effectuate the redevelopment of Building 75.

Appropriate votes follows:

VOTED: That the Boston Redevelopment Authority hereby adopts the attached resolution providing for Final Redeveloper Designation of BioLease, Inc. as redeveloper of Building 75 in the Charlestown Navy Yard; and further

VOTED: That the Director be and hereby is authorized to enter into a Ground Lease with BioLease, Inc., or an affiliate acceptable to the Director, substantially in accord with the Authority's usual terms and conditions for such leases, and execute all documents the Director deems necessary and appropriate to effectuate the redevelopment of Building 75.

Biotransplant is breaking new ground in the fields of organ transplantation and rejection. Its cutting edge research could revolutionize current medical protocols. HCV's investment in Biotransplant validates this potential. With nearly \$400 million invested in the biotechnology industry HCV is one of the largest health care venture capital firms in the country.

Redevelopment of Building 75 will provide significant public benefits. Fifty new permanent jobs will be created in an emerging growth economy. In addition, ninety construction jobs and approximately \$135,000 per year of additional property taxes will be realized from this project.

The project has been reviewed by the Charlestown Neighborhood Council and has received its endorsement. The proponents have agreed to use best efforts to comply with the City's construction and permanent job goals for City of Boston residents.

It is therefore recommended that the Boston Redevelopment Authority finally designate BioLease, Inc. as redeveloper of Building 75 in the Charlestown Navy Yard and authorize the Director to execute a ground lease and other documents necessary to effectuate the redevelopment of Building 75.

Appropriate vote follows:

- VOTED:** That the Boston Redevelopment Authority hereby adopts the attached resolution providing for Final Redeveloper Designation of BioLease, Incorporated as redeveloper of Building 75 in the Charlestown Navy Yard; and further
- VOTED:** That the Director be an hereby is authorized to enter into a Ground Lease with BioLease, Incorporated substantially in accord with the Authority's usual terms and conditions for such leases, and execute all documents the Director deems necessary and appropriate to effectuate the redevelopment of Building 75; and further
- VOTED:** That the Authority hereby authorizes the Director to recommend approval for petitions for relief from the Boston Zoning code as may be necessary for construction of the proposed Building 75 project.

BLDG 75

BIOMEDICAL RESEARCH CENTER

PARCEL 7

PARCEL 6

PARCEL 5

PARCEL 4

CHARLESTOWN NAVY YARD REDEVELOPMENT MASTER PLAN

